

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 911 - SB 991

March 31, 2021

SUMMARY OF BILL: Requires a governmental entity responsible for an emergency order which requires the closure or reduction in capacity of any business to compensate such business for any loss of revenue caused by the closure or reduced capacity.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – The extent and timing of any increase in state and local expenditures cannot reasonably be determined.

Assumptions:

- The proposed language requires compensation provided to such businesses to be calculated as follows:
 - For businesses forced to close, as a dollar amount equal to the average daily revenue of the business multiplied by the number of days that the business was closed; and
 - For businesses with a reduced capacity greater than 50 percent, as a dollar amount equal to the average daily revenue multiplied by the number of days that the business had a forced reduction in capacity, multiplied further by the percentage of the reduction of capacity.
- The proposed language applies only to businesses closed or having a forced reduction in capacity pursuant to an emergency shut down occurring on or after July 1, 2021.
- A precise increase in state and local expenditures cannot reasonably be determined due to multiple unknown factors such as, the number of times a business will be closed or forced to reduce capacity as the result of an emergency order, the number of businesses who will be impacted, the extent of compensation such businesses would receive, and which governmental entity would be responsible for payment of such compensation.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The script is cursive and fluid, with the first letters of each name being capitalized and prominent.

Krista Lee Carsner, Executive Director

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